

**Washington State Auditor's Office**  
**Accountability Audit Report**

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**Port of Kalama**  
**Cowlitz County**

Audit Period  
**January 1, 2002 through December 31, 2003**

**Report No. 67509**

Issue Date  
**November 5, 2004**



Washington  
***State Auditor***  
Brian Sonntag

# Audit Summary

**Port of Kalama  
Cowlitz County  
January 1, 2002 through December 31, 2003**

## ***ABOUT THE AUDIT***

This report contains the results of our independent accountability audit of the Port of Kalama for the period January 1, 2002, through December 31, 2003.

We performed audit procedures to determine whether the Port complied with state laws and regulations and its own policies and procedures. Our work focused on specific areas that have potential for abuse and misuse of public resources.

## ***RESULTS***

The Port complied with state laws and regulations and its own policies.

## ***RELATED REPORTS***

Our opinion on the Port's financial statements is provided in a separate report which includes the Port's financial statements.

## ***CLOSING REMARKS***

We thank Port officials and personnel for their assistance and cooperation during the audit.

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# Description of the Port

## Port of Kalama Cowlitz County January 1, 2002 through December 31, 2003

### ***ABOUT THE PORT***

The Port of Kalama was incorporated in 1920. An elected three-member Board of Commissioners governs the Port, with administration delegated to an Executive Director.

The Port operates three berths, leasing facilities, a wastewater facility, a public park and a marina. The Port had operating revenues of approximately \$6.9 million in 2003 and has 14 full-time employees.

### ***AUDIT HISTORY***

The Port has had no audit findings in more than ten years.

### ***ELECTED OFFICIALS***

These officials served during the audit period:

Board of Commissioners:

Milford Westin  
Jim Lucas  
Fred Swanstrom

### ***APPOINTED OFFICIALS***

Executive Director  
Auditor  
General Counsel

Lanny Cawley  
Stuart Shelby  
Jamie Imboden – Crandall, O'Neill and  
McReary

### ***ADDRESS***

Port

380 West Marine Drive  
Kalama, WA 98625

# Audit Areas Examined

## Port of Kalama Cowlitz County January 1, 2002 through December 31, 2003

In keeping with general auditing practices, we do not examine every portion of the Port of Kalama's financial activities during each audit. The areas examined were those representing the highest risk of noncompliance, misappropriation or misuse. Other areas are audited on a rotating basis over the course of several years. The following areas of the Port were examined during this audit period:

### ***ACCOUNTABILITY FOR PUBLIC RESOURCES***

We evaluated the Port's accountability in the following areas:

- Cash receipting
- Property and equipment
- Payroll
- Purchase of goods and services
- Financial statement preparation and journal entries

### ***LEGAL COMPLIANCE***

We audited the following areas for compliance with certain applicable state and local laws and regulations:

- Deposit and investment of public funds
- Timely deposit of public funds
- Required financial schedules
- Risk management
- Ethics/conflict of interest laws
- Travel expenses
- Expenditures
- Open Public Meetings Act
- Allowable expenditures

### ***FINANCIAL AREAS***

Our opinion on the Port's financial statements is provided in a separate report. That report includes the Port's financial statements and other required financial information. We examined the financial activity and balances of the Port including:

- Cash and investments
- Revenues
- Expenditures
- Long-term debt
- Overall presentation of the financial statements